

PUBLIC MATTER

FILED

JUN 21 2013

STATE BAR COURT
CLERK'S OFFICE
LOS ANGELES

STATE BAR OF CALIFORNIA
OFFICE OF THE CHIEF TRIAL COUNSEL
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STATE BAR COURT

HEARING DEPARTMENT - LOS ANGELES

In the Matter of:)	Case No.	12-O-17329
)		12-O-17710
JOHN VARGAS,)		12-O-18115
No. 270181,)		
)	NOTICE OF DISCIPLINARY CHARGES	
<u>A Member of the State Bar</u>)		

NOTICE - FAILURE TO RESPOND!

**IF YOU FAIL TO FILE A WRITTEN ANSWER TO THIS NOTICE
WITHIN 20 DAYS AFTER SERVICE, OR IF YOU FAIL TO APPEAR AT
THE STATE BAR COURT TRIAL:**

- (1) YOUR DEFAULT WILL BE ENTERED;**
- (2) YOUR STATUS WILL BE CHANGED TO INACTIVE AND YOU
WILL NOT BE PERMITTED TO PRACTICE LAW;**
- (3) YOU WILL NOT BE PERMITTED TO PARTICIPATE FURTHER IN
THESE PROCEEDINGS UNLESS YOU MAKE A TIMELY MOTION
AND THE DEFAULT IS SET ASIDE, AND;**
- (4) YOU SHALL BE SUBJECT TO ADDITIONAL DISCIPLINE.
SPECIFICALLY, IF YOU FAIL TO TIMELY MOVE TO SET ASIDE
OR VACATE YOUR DEFAULT, THIS COURT WILL ENTER AN
ORDER RECOMMENDING YOUR DISBARMENT WITHOUT
FURTHER HEARING OR PROCEEDING. SEE RULE 5.80 ET SEQ.,
RULES OF PROCEDURE OF THE STATE BAR OF CALIFORNIA.**

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1 The State Bar of California alleges:

2 JURISDICTION

3 1. John Vargas ("Respondent") was admitted to the practice of law in the State of
4 California on June 1, 2010, was a member at all times pertinent to these charges, and is currently
5 a member of the State Bar of California.

6 COUNT ONE

7 Case No. 12-O-17329
8 Business and Professions Code, section 6103
[Failure to Obey a Court Order]

9 2. Respondent wilfully violated Business and Professions Code, section 6103, by
10 wilfully disobeying or violating an order of the court requiring him to do or forbear an act
11 connected with or in the course of Respondent's profession which he ought in good faith to do or
12 forbear, as follows:

13 3. On or about May 25, 2012 Respondent filed a case in the Los Angeles Superior
14 Court, case no. BC485444, *Gholian v. Selen RMOF REO Acquisition* (the "Gholian Case").

15 4. On or about May 29, 2012, the court sent a notice to Respondent ordering him to
16 appear at a July 27, 2012 Order to Show Cause Hearing (the "July 27 OSC") regarding his
17 failure to file proof of service of the summons and complaint in the Gholian Case. Respondent
18 received the notice.

19 5. Also on or about May 29, 2012, the court sent a "Notice of Case Management
20 Conference" to Respondent. The notice informed Respondent that a case management
21 conference was to be held in the Gholian Case on September 12, 2012. Respondent received the
22 notice.

23 6. On or about July 26, 2012, court staff informed Respondent by telephone of the
24 July 27 OSC.

25 7. Respondent failed to appear at the July 27, 2012 hearing. The judge imposed a
26 \$250 sanction for Respondent's failure to appear at the July 27, 2012 hearing. On or about July
27 27, 2012, the court mailed Respondent a copy of the minute order ordering the \$250 sanction.
28 Respondent received the minute order.

1 8. On or about August 2, 2012, the September 12, 2012 case management
2 conference was continued to September 18, 2012. On or about August 2, 2012, opposing
3 counsel in the Gholian Case mailed Respondent notice of the continuance. Respondent received
4 notice of the continuance.

5 9. Respondent failed to appear at the September 18, 2012, case management
6 conference. The judge imposed a \$350 sanction for Respondent's failure to appear at the
7 September 18, 2012, case management conference. On or about September 18, 2012, opposing
8 counsel in the Gholian Case mailed Respondent notice of the \$350 sanction. Respondent
9 received notice of the \$350 sanction.

10 10. Respondent never paid the sanctions as ordered by the court.

11 11. By failing to pay the sanctions as ordered by the court, Respondent wilfully
12 disobeyed or violated an order of the court requiring him to do or forbear an act connected with
13 or in the course of Respondent's profession which he ought in good faith to do or forbear.

14 COUNT TWO

15 Case No. 12-O-17329
16 Business and Professions Code, section 6068(i)
 [Failure to Cooperate in State Bar Investigation]

17 12. Respondent wilfully violated Business and Professions Code, section 6068(i), by
18 failing to cooperate and participate in a disciplinary investigation pending against Respondent, as
19 follows:

20 13. The allegations of Count One are incorporated by reference.

21 14. On or about October 26, 2012, the court in the Gholian Case submitted a referral
22 to the State Bar regarding Respondent's failure to pay the sanctions.

23 15. On or about February 12, 2013, an investigator from the State Bar mailed a letter
24 to Respondent requesting a written response, on or before February 28, 2013, to the allegations
25 of misconduct in the Gholian Case. Respondent received the letter.

26 16. Respondent never provided a response to the allegations of the court's complaint.

27 17. By failing to provide a response to the allegations of misconduct, Respondent
28 failed to cooperate and participate in a disciplinary investigation pending against Respondent.

1 37. The allegations of Count Five are incorporated by reference.

2 38. By failing to take any action on Pina's behalf, Respondent effectively withdrew
3 from her representation without notice.

4 39. By withdrawing from representation without completing the work he was hired to
5 do and without notice to the client, Respondent failed, upon termination of employment, to take
6 reasonable steps to avoid reasonably foreseeable prejudice to his client.

7 COUNT SEVEN

8 Case No. 12-O-18115
9 Rules of Professional Conduct, rule 3-700(D)(2)
 [Failure to Refund Unearned Fees]

10 40. Respondent wilfully violated Rules of Professional Conduct, rule 3-700(D)(2), by
11 failing to refund promptly any part of a fee paid in advance that has not been earned, as follows:

12 41. The allegations of Counts Five and Six are incorporated by reference.

13 42. On or about June 15, 2012, Pina paid Respondent \$500 in advanced fees.

14 43. At the time Respondent withdrew from Pina's representation, he had earned none
15 of the advanced fee.

16 44. Respondent never refunded any of the \$500 to Pina.

17 45. By failing to refund the \$500 to Pina, Respondent failed to refund promptly any
18 part of a fee paid in advance that has not been earned.

19 COUNT EIGHT

20 Case No. 12-O-18115
21 Business and Professions Code, section 6068(i)
 [Failure to Cooperate in State Bar Investigation]

22 46. Respondent wilfully violated Business and Professions Code, section 6068(i), by
23 failing to cooperate and participate in a disciplinary investigation pending against Respondent, as
24 follows:

25 47. The allegations of Counts Five through Seven are incorporated by reference.

26 48. On or about November 12, 2012, Pina submitted a complaint to the State Bar
27 alleging professional misconduct by Respondent in her case.
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1 49. On or about March 4, 2013, a State Bar investigator mailed a letter to Respondent
2 requesting a written response, not later than March 20, 2013, to the allegations of Pina's
3 complaint.

4 50. On or about April 18, 2013, a State Bar investigator mailed a second letter to
5 Respondent requesting a written response, not later than April 24, 2013, to the allegations of
6 Pina's complaint.

7 51. Respondent never responded to the allegations of Pina's complaint.

8 52. By failing to respond to the allegations of Pina's complaint, Respondent failed to
9 cooperate and participate in a disciplinary investigation pending against Respondent.

10 **NOTICE - INACTIVE ENROLLMENT!**

11 **YOU ARE HEREBY FURTHER NOTIFIED THAT IF THE STATE BAR**
12 **COURT FINDS, PURSUANT TO BUSINESS AND PROFESSIONS CODE**
13 **SECTION 6007(c), THAT YOUR CONDUCT POSES A SUBSTANTIAL**
14 **THREAT OF HARM TO THE INTERESTS OF YOUR CLIENTS OR TO**
15 **THE PUBLIC, YOU MAY BE INVOLUNTARILY ENROLLED AS AN**
16 **INACTIVE MEMBER OF THE STATE BAR. YOUR INACTIVE**
17 **ENROLLMENT WOULD BE IN ADDITION TO ANY DISCIPLINE**
18 **RECOMMENDED BY THE COURT.**

19 **NOTICE - COST ASSESSMENT!**

20 **IN THE EVENT THESE PROCEDURES RESULT IN PUBLIC**
21 **DISCIPLINE, YOU MAY BE SUBJECT TO THE PAYMENT OF COSTS**
22 **INCURRED BY THE STATE BAR IN THE INVESTIGATION, HEARING**
23 **AND REVIEW OF THIS MATTER PURSUANT TO BUSINESS AND**
24 **PROFESSIONS CODE SECTION 6086.10.**

25 Respectfully submitted,

26 THE STATE BAR OF CALIFORNIA
27 OFFICE OF THE CHIEF TRIAL COUNSEL

28 DATED: June 20, 2013

By: _____

Timothy G. Byer
Deputy Trial Counsel

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DECLARATION OF SERVICE BY CERTIFIED MAIL

CASE NUMBER: 12-O-17329; 12-O-17710, 12-O-18115

I, the undersigned, over the age of eighteen (18) years, whose business address and place of employment is the State Bar of California, 1149 South Hill Street, Los Angeles, California 90015, declare that I am not a party to the within action; that I am readily familiar with the State Bar of California's practice for collection and processing of correspondence for mailing with the United States Postal Service; that in the ordinary course of the State Bar of California's practice, correspondence collected and processed by the State Bar of California would be deposited with the United States Postal Service that same day; that I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date on the envelope or package is more than one day after date of deposit for mailing contained in the affidavit; and that in accordance with the practice of the State Bar of California for collection and processing of mail, I deposited or placed for collection and mailing in the City and County of Los Angeles, on the date shown below, a true copy of the within

NOTICE OF DISCIPLINARY CHARGES

in a sealed envelope placed for collection and mailing as certified mail, return receipt requested, Article No.: 7196 9008 9111 0444 0060, at Los Angeles, on the date shown below, addressed to:

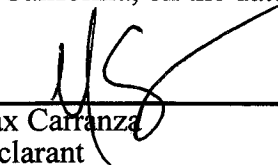
**John Vargas
4129 Main St Suite 202
Riverside, CA 92501**

in an inter-office mail facility regularly maintained by the State Bar of California addressed to:

N/A

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed at Los Angeles, California, on the date shown below.

DATED: June 21, 2013

Signed: 
Max Carranza
Declarant